and supervise the working of the DLCC, a State Level Consultative Committee (SLCC) has also been set up. In the case of Delhi, the DLCC was constituted ride a notification dated 28th June, 1985 with the Deputy Commissioner of Delhi as Chairman and the Ad litional District Magistrate as a Member as well as the CESO lor Delhi. This Committee has held three meetir.gs on 7th February, 1986, 23th Augusi, 1986 & 3rd April, 1987 but no claii l has been reported so far by the CI ISO. The implementation of the Scaeme in Delhi has been reviewed iiy Government and the attention of Delhi Administration has been drawn or further follow up action. The Ins irance Company has also been advisee to increase its publicity for better understanding and propagation of the Scheme. The following steps have been taken:—

(i) Distribution of posters, leaflets and booklets.

(ii) Talks on Akashwani.

(iii) Campaign through Press.

(iv) Seminars are also being organised to familiarise field workers responsible f.ir s implementation on different aspecU of this Scheme.

(b) Governmen , have borne the entire cost of prem am for the insurance cover on All Ind a basis and no separate premium ha been paid for Delhi alone.

Freight equalisati in iu coal and cotton

2294. DR. R. K. PODDAR:

SHRI MOSTAFA BIN QTIASEM:

SHRI SI-'KOMAL SEN:

Will the Minis er of PLANNING be pleased to state:

(a) what are the reasons for not introducing freight equalisation in respect of coal aid cotton as demanded by eastern States;

(b) what are the reasons for not lifting freight equalisation on iron and steel as demanded by eastern States; and

(c) which of the States are to derive benefits under (a) and (b) above?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRi SUKH RAM): (a) The subject of freight equalisation has been studied by a number of Committees, the last one being the National Transport Policy Committee under the Chairmanship of Shri B. D. Pandey. The Committee concluded that the beneficial effect in terms of regional dispersal as a result of freight equalisation was more than oif-set by increase in real transport costs and freight equalisation had little *eSeci On* generating employment in backward regions. The scheme does not meet the desirable objective of dispersal of economic activity but can lead to non-optimal location of industries. It has therefore been decided not to introduce freight equalisation in respect of any new item like coal, cotton etc.

(b) In the light of the representations received from various State Governments, the Government have reviewed the earlier decision of lifting freight equalisation on iron and steel and decided to refer the matter to the National Development Council.

(c) The freight equalisation policy in respect of a commodity benefits the States located far away from the sources of the commodity. The benefits derived by the individual States in respect of each raw material have not been worked out.

Financial Institution named Klack Companies

2295. SHRI CHANDRIKA PRASAD TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the functioning of the private money lending institutions, known as